

Board Meeting Minutes
February 20, 2018

Present via teleconference were:

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| Doug La Follette, Commissioner | Secretary of State |
| Matt Adamczyk, Commissioner | State Treasurer |
| Brad Schimel, Board Chair | Attorney General |
| Jonathan Barry, Executive Secretary | Board of Commissioners of Public Lands |
| Tom German, Deputy Secretary | Board of Commissioners of Public Lands |
| Vicki Halverson, Office Manager | Board of Commissioners of Public Lands |
| Richard Sneider, Loan Analyst and
Chief Investment Officer | Board of Commissioners of Public Lands |

ITEM 1. CALL TO ORDER

Board Chair Schimel called the meeting to order at 2:00 p.m.

ITEM 2. APPROVE MINUTES – FEBRUARY 6, 2018

MOTION: Board Chair Schimel moved to approve the minutes; Commissioner La Follette seconded the motion.

DISCUSSION: None.

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

Executive Secretary Barry reported that the loans had been reviewed for proper public purpose.

Municipality	Municipal Type	Loan Type	Loan Amount
1. Beloit Rock County Application #: 02018108 Purpose: Finance 2018 asset purchases	Town Rate: 3.50% Term: 10 years	General Obligation	\$1,608,561.00
2. Buchanan Outagamie County Application #: 02018107 Purpose: Finance buildings and infrastructure	Town Rate: 3.75% Term: 10 years	General Obligation	\$565,000.00
3. Cedarburg Ozaukee County Application #: 02018105 Purpose: Construct monopole cell tower	City Rate: 3.50% Term: 10 years	General Obligation	\$300,000.00
4. Juneau Juneau County Application #: 02018106 Purpose: Purchase equipment and furnishings	County Rate: 3.00% Term: 5 years	General Obligation	\$1,000,000.00

5.	Mount Pleasant Racine County Application #: 02018104 Purpose: Finance TID#5 infrastructure and ancillary costs	Village Rate: 3.00% Term: 2 years	General Obligation	\$20,000,000.00
		TOTAL		\$23,473,561.00

MOTION: Board Chair Schimel moved to approve the loans; Commissioner La Follette seconded the motion.

DISCUSSION: Commissioner La Follette inquired about the \$20 million loan to the village of Mount Pleasant. Executive Secretary Barry replied that the loan would provide ‘bridge’ or ‘gap’ financing for the expansion of the community’s infrastructure.

VOTE: The motion passed 2-1. Commissioner La Follette and Board Chair Schimel voted aye; Commissioner Adamczyk voted no.

ITEM 4. UPDATE: THREE LAKES SCHOOL DISTRICT LAND PURCHASE REQUEST

Board Chair Schimel said that the school district’s board approved a motion to purchase a 40-acre parcel of BCPL Trust Lands and sent a formal request to the BCPL. Executive Secretary Barry added that no action was required, and staff would contract to have an appraisal conducted on the parcel.

Commissioner La Follette asked if an easement would be negotiated in order for BCPL to retain access to the large block of Trust Lands that are adjacent to the parcels in question, should the sale proceed. Executive Secretary Barry responded that the Board could retain access by not selling that portion of the parcel.

ITEM 5. RATIFY ADJUSTMENTS TO LOAN PROGRAM INTEREST RATES

MOTION: Commissioner La Follette moved to ratify the recent adjustments to the State Trust Fund Loan Program interest rates; Commissioner Adamczyk seconded the motion.

DISCUSSION: Executive Secretary Barry said that short- and long-term interest rates have been rising so it is possible that further increases in the loan program interest rates may be needed in the near future.

VOTE: The motion passed 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands ratifies the changes in BCPL State Trust Fund Loan Program, with annual interest rates to be set at 3.50% for 2-year loans; 3.75% for 3-5 year loans; 4.00% for 6-10 year loans; and 4.25% for 11-20 year loans.

ITEM 6. DISCUSS AND VOTE ON STAFF ATTENDING FIXED INCOME CONFERENCE IN CHICAGO

Board Chair Schimel explained that there are no conference registration fees and travel, lodging, and meal expenses would be nominal.

MOTION: Commissioner La Follette moved to permit Richard Sneider and Tom German to attend the conference and fund the expenses associated with their attendance; Board Chair Schimel seconded the motion.

DISCUSSION: Deputy Secretary German said that attendance each year provides staff with valuable information because factors influencing the financial market fluctuate from year to year. Networking opportunities are also valuable.

VOTE: The motion passed 2-1. Commissioner La Follette and Board Chair Schimel voted aye; Commissioner Adamczyk voted no.

ITEM 7. FUTURE AGENDA ITEMS

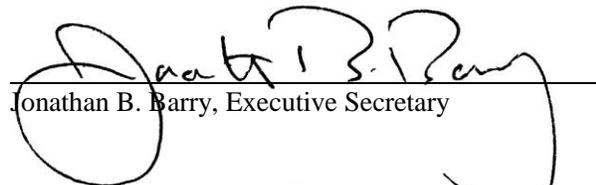
None.

ITEM 8. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Barry reported that staff recently closed on a commitment to invest up to \$15 million with 4490 Ventures, a venture capital firm. Staff have expanded the investment transaction report to include equity ETF investment positions and venture capital investments.

ITEM 9. ADJOURN

The meeting adjourned at approximately 2:23 p.m.


Jonathan B. Barry, Executive Secretary

These minutes have been prepared from a recording of the meeting. The summaries have not been transcribed verbatim.
Link to audio recording: ftp://doafpt1380.wi.gov/doadocs/BCPL/2018-02-20_BCPL-BoardMtgRecording.mp3